

RECORDATION NO. 27245 FILED

NOV 29 '07 -12 52 PM

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1050 SEVENTEENTH STREET, N.W.  
SUITE 301  
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1984)

20036

(202) 393-2266

FAX (202) 393-2156

E-MAIL [alvordlaw@aol.com](mailto:alvordlaw@aol.com)

SURFACE TRANSPORTATION BOARD

OF COUNSEL  
URBAN A. LESTER

November 29, 2007

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Full Service Railcar Lease, dated as of September 1, 2007, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Babcock & Brown Rail Funding LLC  
885 Second Avenue  
49<sup>th</sup> Floor  
New York, NY 10017

Lessee: Entergy Gulf States Inc.  
350 Pine St.  
Beaumont, TX 77701

Mr. Vernon A. Williams  
November 29, 2007  
Page 2

A description of the railroad equipment covered by the enclosed document is:

242 railcars within the series BNBX 120110 - BNBX 120374 as more particularly set forth in the attachment to the document.

A short summary of the document to appear in the index is:

Memorandum of Full Service Railcar Lease.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/sem  
Enclosures

NOV 29 '07 -12 52 PM

## MEMORANDUM OF FULL SERVICE RAILCAR LEASE

## SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF FULL SERVICE RAILCAR LEASE dated as of this 1<sup>st</sup> day of September, 2007, to that certain Master Full Service Railcar Lease made as of September 1, 2007, and Schedule No. 01 thereto, between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and ENTERGY GULF STATES, INC. a Texas corporation (the "Lessee" and together with the Lessor, the "Parties").

## KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and Lessee have entered into that certain Master Full Service Railcar Lease dated September 1, 2007 and Schedule No. 01 thereto (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Full Service Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Full Service Railcar Lease to be executed by a duly authorized officer as of the day and year first above written.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

By: [Signature]  
Name: Larry Littlefield  
Title: Vice President

ENTERGY GULF STATES, INC., as Lessee

By: [Signature] <sup>8/24</sup>  
Name: Bill Morris <sup>SC</sup>  
Title: V.P. Commercial Paper

STATE OF Texas )

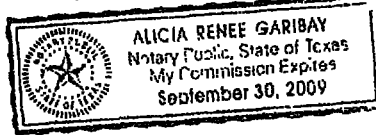
) SS:

COUNTY OF Montgomery )

On September 20, 2007, before me, Alicia Renee Garibay, Notary Public, personally appeared Bill Mohl, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Alicia Renee Garibay



STATE OF Connecticut )  
 ) SS:

COUNTY OF Fairfield (T )

On Oct. 5, 2007, before me, Linda Ardito, Notary Public, personally appeared Lawrence Liffolia, personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Linda Ardito

LINDA ARDITO  
Notary Public  
State of Connecticut  
My Commission Expires April 30, 20 10

**EXHIBIT A**  
**MEMORANDUM OF FULL SERVICE RAILCAR LEASE**

<u>Quantity</u>	<u>Car Description</u>	<u>Reporting Marks and Numbers</u>
Two Hundred Forty Two (242)	4520 CF Aluminum body BethGon II Coal Porter railcars, 286,000 lbs. GRL, AAR Car Type Code J311, built in 2006 by FreightCar America, Inc.	BNBX 120110-120126, inclusive; 120128-120132, inclusive; 120135- 120239, inclusive; 120241-120265, inclusive; 120267, 120268, 120279- 120283, inclusive; 120287-120292, inclusive; 120294-120313, inclusive; 120315-120327, inclusive; 120331- 120374, inclusive.

**CERTIFICATION**

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 11/29/07



\_\_\_\_\_  
Robert W. Alvord